

# Office of Attorney General Terry Goddard



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**FOR IMMEDIATE RELEASE**

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## \*\*\* Consumer Advisory \*\*\*

### Terry Goddard Reminds Consumers to Shop Carefully for Gift Cards

(Phoenix, Ariz. – Nov. 22, 2006) Gift cards are again expected to be popular presents during this holiday season. Attorney General Terry Goddard today reminded consumers that many, but not all, gift cards have expiration dates and service fees.

Arizona law requires that any gift card subject to an expiration date or fee must have a printed disclosure visible to the consumer before purchase. However, while paper gift certificates must disclose the terms on the face of the certificate, plastic gift cards do not. The terms for a plastic card have to be disclosed either on accompanying printed materials or on a sign at the point of purchase.

Retailers selling gift cards over the Internet must disclose any fees or expiration dates to consumers before purchase. Sales representatives helping consumers purchase gift cards over the phone must disclose any fees or expiration dates before purchase. But if you buy a gift card in person, you need to look for the terms in writing or ask a sales representative what they are.

When shopping for gift cards, consumers should check whether any of the following terms apply:

- **Service fees:** Some stores charge a fee to purchase the card.
- **Expiration dates:** Some cards expire a year or less after purchase.
- **Dormancy fees:** These fees typically kick in if the card is not used within a set time period – usually between six months and a year. The fee can be as high as \$2 per month and will accrue until the value of the card is exhausted.
- **Balance/maintenance fee:** Like the dormancy fee, this charge applies if the card is used but not exhausted. Typically, the charges kick in every month after a set time when the balance is not used, deducting a low percentage of the remaining balance each month.
- **Cash back limits:** If the card is used for merchandise valued at less than the certificate's value, there may be no way to get cash back.
- **Use of gift card:** If the gift card is store-specific, remember to ask if it can be used at other locations or for online purchases.

"Gift cards may come with varying terms, and buyers need to make sure they understand them before purchasing," Goddard said.

If you believe you have been a victim of fraud, please contact the Attorney General's Office at 602-542-5763 in Phoenix; 520-628-6504 in Tucson; or 1-800-352-8431 outside the metro areas. You can also file an online complaint at [www.azag.gov](http://www.azag.gov). If you would like to file a complaint in person, the Attorney General's Office has 25 satellite offices throughout Arizona with volunteers available to help. Please visit the office Web site for locations and hours of operations.

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